
COMMONWEALTH OF VIRGINIA



OFFICE OF THE GOVERNOR

Executive Directive No. 3 (2011)

Government Reform - Operational Improvements Human Resources and Travel

On January 16, 2010, I signed Executive Order 2 (2010) creating the Governor's Commission on Government Reform and Restructuring ("Commission"). Over the last 18 months, the Commission has conducted a thorough review of Virginia state government and has identified opportunities for creating efficiencies in state government, explored innovative ways to deliver state services at the lowest cost and best value to Virginia taxpayers, sought out means to more effectively and efficiently perform core state functions, and examined ways for state government to be more transparent, user-friendly, and accountable to the citizens of the Commonwealth.

As the chief executive officer for the Commonwealth of Virginia, I hereby issue this Executive Directive to the Executive Branch Cabinet members, agency heads, managers, supervisors, and employees in order to accomplish these recommendations of the Commission. Nothing in this Executive Directive should be construed as imposing an unfunded mandate on any Independent or non-Executive branch agency of the Commonwealth of Virginia.

HUMAN RESOURCES

Virginia state employees continue to be some of the most dedicated and hardworking public servants. It is my responsibility to continue to identify best practice and cost saving opportunities that support the health, well-being and professional development opportunities of all state employees, all while providing cost savings to Virginia taxpayers. State employees deserve efficient and streamlined processes for work schedules, management techniques and an understood clarity of duties and structure. Accordingly, I direct that:

- Virginia Department of Human Resources Management ("DHRM") shall examine expansion of the current pilot program of a four-day, ten-hour work week schedule. In order to maximize utility savings, DHRM shall work in cooperation and in consultation with the Virginia Department of General Services ("DGS") in all stages of examination and implementation of

this pilot program. Recognizing that certain executive branch agencies, particularly those within the secretariats of public safety and education or those with significant customer service responsibilities should be exempted, DHRM shall work with agencies to identify those agencies where a four-day, 10-hour work week is feasible and will demonstrate savings. DHRM shall also work with the agencies to identify those employees, departments, or offices within agencies that would be eligible and the ability to effectively handle the impact, including child and adult care and public transportation access.

- DHRM shall create a plan for expanded use of telework and flexible scheduling for state employees where practicable. In addition, DHRM shall provide guidance, consultation and technical assistance to agencies in the implementation of the agency telework and flexible scheduling plan.
- DHRM shall streamline and modernize the policies and paperwork requirements for state employee time, attendance, and leave (TAL). This shall include a wholesale review of the leave system and the plan for an online, employee-friendly system for more effective TAL tracking.
- Q-Status is a program that permits state employees to receive health benefits, retirement, and prorated paid time off if they work a minimum of 32 hours per week. DHRM shall increase education about the Q-Status program and its benefits to agency managers and employees. All agencies are directed to examine expanded use of Q-status as part of their efficiency and savings strategies.
- DHRM shall develop an improved high deductible health insurance plan option to make available to state employees and shall communicate information about the improved plan.
- Agency Maximum Employment Level (MEL) requirements cap the number of employees that executive branch agencies may employ at anyone time. DHRM, working with the Virginia Department of Planning and Budget ("DPB"), shall develop a replacement for MEL which focuses on increasing transparency into the actual utilization of salaried and wage employees as well as contractors.
- "Span of Control" is a term that refers to the number of subordinates a supervisor oversees. Span of control ratios should be flexible, tailored to each agency and its mission, and should consider industry standards when possible. DHRM shall assist state agencies in implementing effective and efficient spans of control. DHRM shall provide guidance, consultation, and technical assistance in organizational design and development, and state agencies shall implement organization structures that promote effective and efficient spans of control.
- To increase transparency and improve customer service, each agency and secretariat shall conspicuously post on its respective homepage a link to an organizational chart and a link to the Commonwealth Data Point Checkbook. DHRM shall assist the agencies and the secretariats in the development of the organizational charts.
- DHRM, working with the Virginia Retirement System ("VRS"), shall develop and implement a plan for an "Employee One Stop" for employee disability management and, where practical, certain other fringe benefits to improve customer service, eliminate duplicate filings for a more efficient process, and enhance data analysis and fraud detection. In addition, the plan shall also address the following:
 - Elimination of the current stacking model of disability benefits for occupational injuries,
 - Methods to reduce lost work days in disability programs, and
 - Exploration of early intervention methodologies, including claim reporting, panel physician usage, and nurse case management usage.
- DGS, working with DHRM, shall enhance the state employee driver safety training in an effort to reduce future accidents, which will improve employee safety and potentially reduce cost to the Division of Risk Management for Automobile Liability and to State Employee

Workers' Compensation Services for employee injuries sustained in these accidents.

- DHRM shall leverage vendor contracts, particularly pharmacy and actuarial services contractors, to achieve volume discounts.

TRAVEL

According to the Travel Operation Committee's final report in November of 2010, the Commonwealth of Virginia executive branch agencies spent \$123,100,266 in FY2010 on travel. Additionally, Higher Education spent \$80,110,217 on travel in the same time period. Several opportunities for cost reduction exist to leverage economies of scale in purchasing and tracking travel costs as well as utilizing the Commonwealth of Virginia Knowledge Center and teleconferencing to increase employee productivity and reduce travel costs.

Accordingly, I direct that:

- The Virginia Department of Accounts ("DOA"), working with DGS, shall determine the feasibility and cost of creating a statewide travel contract to include all modes of travel; a comprehensive, automated system for travel; and program to allow local government, political subdivisions, and independent agencies to participate in state travel program.
- DOA, working with agencies with people in their care and custody, shall review the travel spending for people in the care and custody of the Commonwealth and make recommendations to reduce travel expenditures.
- All agencies shall utilize the DHRM Commonwealth Knowledge Center when appropriate to reduce travel expenses. To ensure ease of access and navigation of the website, DHRM shall solicit input from those agencies seeking to use the Commonwealth Knowledge Center to reduce travel expenditures.

The Virginia Information Technologies Agency (VITA) shall develop a plan to improve the teleconference network and assess the costs of such services that are available in the Commonwealth. Once the plan is approved, VITA shall post the teleconference information online so that state agencies, boards, and commissions may better utilize the teleconference network.

/s/ Robert F. McDonnell, Governor